

Report of Head of Commissioning, Adults and Health

Report to Director of Resources and Housing

Date: 15 March 2019

Subject: Integrated Offender Management Service

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. The Council currently commissions two third sector organisations to deliver support to offenders: Change Grow Live (CGL) and Humankind. They are contract managed within the Adults and Health Commissioning Team on behalf of the wider partnership. This wider partnership includes working with the West Yorkshire Community Rehabilitation Company (WYCRC), the National Probation Service (NPS) and West Yorkshire Police (WYP) through an IOM Hub. The hub is located at Mabgate Mills, close to the city centre.
2. A comprehensive review of Drug Intervention Programme / Integrated Offender Management services (DIP / IOM) is nearly complete, the findings of which will be used to inform the development of a more flexible and coordinated 'Offender Support Service' aimed at reducing offending and reoffending in the City.
3. In order to maintain existing service provision whilst the competitive tender process takes place, we seek approval to utilise the contract extensions with CGL and HumanKind to enable continuation of provision in accordance with CPR 21.1 (at a cost of £560,850 for CGL & £350,215 for Humankind) for the continued delivery of the current IOM Support Service (DN250893, Humankind; DN331721, CGL) from 1 April 2019.
4. A subsequent report will set out the rationale and authority to procure a new Offender Support Service which will commence on 1 April 2020.

Recommendations

The Director Resources and Housing is recommended to approve contract extensions with HumanKind and CGL to enable continuation of provision in accordance with CPR 21.1 - contract extensions from 1 April 2019 for 12 months until 31 March 2020 (at a cost of £560,850 for CGL & £350,215 for Humankind) for the continued delivery of the current IOM Support Service (DN250893, Humankind; DN331721, CGL) from 1 April 2019.

1 Purpose of this report

- 1.1 The purpose of this report is to set out the rationale to approve contract extensions in accordance to CPR 21.1 with CGL and Humankind for the continued provision of the current IOM Support Service (DN331721, CGL; DN250893, Humankind) for 12 months from 1 April 2019.

2 Background information

- 2.1 The current IOM Support Service is comprised of two contracts with CGL and Humankind which provide dedicated offender management resources and structured, intensive community orders for identified offenders subject to Prolific and Priority Offender (PPO) and DIP interventions or other priority offenders requiring intensive management. CGL and Humankind staff are co-located with teams from West Yorkshire Police and WYCRC as part of a wider Integrated Offender Management approach. These arrangements are for adults only and currently operate quite separately from the Youth Justice Service.
- 2.2 The DIP / IOM arrangements are delivered through a combination of funding from the Office of the Police and Crime Commissioner (OPCC) and the Council (Public Health and Resources & Housing). The total annual budget includes partnership contributions to West Yorkshire Police (£77,500) and West Yorkshire CRC (£29,000), as well as contributions towards premises (£19,000) and IT software (£10,800).
- 2.3 A review of the current service has been led by Adults & Health Commissioning, including colleagues from Safer Leeds, Public Health, West Yorkshire Police, National Probation Service, Procurement and Commercial Service (PACS) and HMP Leeds.
- 2.4 The review of DIP / IOM support services has now been completed and has identified a number of key findings as a basis for developing a new single model of working in the city. This will require an increased focus on early engagement, intervention and intensive case management, supporting people to address their offending behaviour and help them to reintegrate into their local communities.
- 2.5 With support from the Public Health Programme Board and the Reducing Offending Board, the project team undertook an options appraisal with regard to the re-procurement of a new Offender Support Service, the outcome being that a single service should be procured via an open competitive tender route.
- 2.6 Following consultation with Public Health Programme Board and the Reducing Offending Board, with Procurement support, an overall timescale of the tender process was agreed. This necessitated an interim contract for 12 months with extension provision of 12 months, which was agreed in March 2018. This would allow time for the completion of the review, the competitive tender exercise and continuation of existing provision with CGL and Humankind until new provision will commence on 1 April 2020.
- 2.7 A subsequent report will set out the rationale and authority to procure a new Offender Support Service which will commence on 1 April 2020.

3 Main issues

- 3.1 The Adults & Health Commissioning team have led on the review of offender management services. This has been carried out with key stakeholder. The review and modelling has been undertaken through cross directorate governance requirements to reflect the mix of funding contributors to this provision.

- 3.2 This Offender service review has taken longer than anticipated due to budget uncertainty and the impact of potential reductions on commissioned services and external partner delivery. Also, significant uncertainties have been caused by the Government's Transforming Rehabilitation agenda, the full impact of which is still not fully understood in relation to future partner roles and has added to the complexity and length of time needed to complete the review.
- 3.3 A further complication has been due to the need to fully understand the role of the new Liaison and Diversion service, funded by NHS England, which has been delivered from the custody suite at Elland Road Police Station since 1 April 2017.
- 3.4 Continued uncertainty in the offender landscape, with Central Government proposals around the future of transforming rehabilitation up for debate, requires the Council as commissioners of offender services to ensure continued provision in times of uncertainty.
- 3.5 Leeds is the UK's third largest city with a population of around 775,000, which is expected to rise to around 840,000 by 2021. Leeds has a high reoffending rate, compared to the national rate, which underpins the importance of offender support services.
- 3.6 HMP Leeds is one of the largest category B prisons in the UK therefore it is important that opportunities to maximize outcomes for this population, especially for those at risk of reoffending, are taken, and the opportunity through a combined provision of services will help Leeds address some of these needs and demands.
- 3.7 Due to the complex nature and needs of clients who offend, a multi-faceted, cross directorate approach must be taken to tackle the issues of offending behaviour. This includes support to access drug & alcohol services and recovery, access to housing, and intensive client management and support to enhance behaviour change. This must be done through close working relationships with our Ministry of Justice partners. It is widely recognised that only through tackling the multiple needs of offenders and changing/challenging behaviours can the city have a positive impact on reducing offending and re-offending.
- 3.8 This complexity therefore requires a cross directorate approach to commissioning and funding, reflected in a provision which is funded via Resources & Housing, Public Health and the OPCC.
- 3.9 Council funding is from Public Health and Resources and Housing. OPCC funding has been approved for 2019/20.
- 3.10 The Project Team led by Adults and Health Commissioning Team is finalising remodelling plans for a new provision to start 1 April 2020.
- 3.11 To enable a competitive tender process to be undertaken, it is crucial that existing services can be maintained during this process to ensure no disruption of service and support for clients. The time frame to undertake this work is approximately 12 months, therefore utilising available contract extensions is crucial.
- 3.12 Continuity of the current IOM Support Service is necessary to maintain progress towards meeting the Public Health and Resources and Housing responsibilities of the Council, and towards meeting the priorities set out in the Safer Leeds Plan, Reducing Offending Strategy, Health and Wellbeing Strategy, the Housing Strategy, Best Council Plan and Inclusive Growth Strategy. If this service does not continue, there would be disruption to

service users and their families, local communities and a risk to a number of key Council wide agendas.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 The Safer Leeds Executive, Public Health Programme Board and the Reducing Offending Board have been consulted as part of the options appraisal process, model development and the joint procurement of the IOM Support Service.

4.1.2 Throughout the development of the review, model development and analysis, extensive consultation has taken place with a wide range of stakeholders (including service users).

4.1.3 Lead Members have been regularly briefed and are supportive of putting in place contract extensions.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 An Equality, Diversity, Cohesion and Integration screening paper has been completed and included as background information to this report. The screening tool indicates that at this time a full equality assessment is not required.

4.2.2 Through the contract management of existing services, due regard has been given to equality in the delivery of these services and this has been considered through contract management and the review process.

4.3 Council policies and City Priorities

4.4 A number of initiatives in Leeds focus on reducing offending and reoffending. The current services already contribute to many of these aims and will continue to do so with the future service provision. In particular:

<u>Strategy</u>	<u>Priorities</u>	<u>Indicators</u>
Vision for Leeds 2011-30	<ul style="list-style-type: none"> Best city for communities. Best city for health and wellbeing. 	<ul style="list-style-type: none"> People are safe and feel safe. People are active and involved in their communities. People live longer and healthier lives. People are supported by high quality services to live full, active and independent lives.
Best Council Plan 2018/19 – 2020/21	<ul style="list-style-type: none"> Safe, strong communities 	<ul style="list-style-type: none"> Keeping people safe from harm, Protecting the most vulnerable Tackling crime and anti-social behaviour

		<ul style="list-style-type: none"> • Building thriving, resilient communities • Promoting community respect and resilience.
Leeds Health and Wellbeing Strategy 2016-21	<ul style="list-style-type: none"> • Leeds will be a healthy and caring city for all ages, where people who are the poorest improve their health the fastest'. 	<ul style="list-style-type: none"> • People will live in healthy, safe and sustainable communities
Housing Strategy 2016-21	<ul style="list-style-type: none"> • Effectively meeting affordable and social housing need, promoting independence and creating sustainable communities to make Leeds the best place to live 	<ul style="list-style-type: none"> • All Leeds residents will be living in: <ul style="list-style-type: none"> • good quality affordable homes • homes with appropriate levels of support • safe and harmonious communities
Reducing Re-Offending Strategy (in development)	<p>The Reducing Re-offending Board will develop a strategy in 2019 to:</p> <ul style="list-style-type: none"> • oversee the strategic direction, design and implementation of an integrated partnership approach to offender management arrangements in Leeds • lead on the development and implementation of new initiatives aimed at reducing re-offending. 	<ul style="list-style-type: none"> • Reducing Offending and Re-offending
Safer Leeds Community Safety Strategy (2018-2021)	<p>The Partnership's shared priorities over the term of the strategy will be:</p> <ul style="list-style-type: none"> • Keeping people safe from harm (victim) • Preventing and reducing offending (offender) • Creating safer, stronger communities (location) 	<ul style="list-style-type: none"> • Effective monitoring of re-offending rates from key partners.
WY Reducing Offending Strategy (2018-2021)	<p>Supports the delivery of the Police and Crime Commissioner's (PCC) West Yorkshire Police and Crime Plan and the work of the Local Criminal Justice Board through increased partnership working to reduce reoffending and crime.</p>	<ul style="list-style-type: none"> • more offenders desist from crime as they are rehabilitated and resettled in the community • wellbeing of offenders is improved, with strong integrated offender management, intensive case management, identifying gaps working

		and working together to overcome them.
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4.5 Resources and value for money

4.5.1 The current IOM service is delivered by two separate organisations (CGL and Humankind).

4.5.2 On average, a month in prison costs approximately £2,434 and criminal proceedings during and after an arrest cost approximately £739 per incident. To put this into perspective, if 10 people did not reoffend and were kept out of prison (for a year) this would be a saving of £299,470. This represents a substantial return on investment, given that the average cost of each IOM intervention per year is approximately £3,136.

4.5.3 In order to continue existing provision whilst a competitive tendering exercise for the Offender Support Service is completed, a 12 month interim contract is required. This can be funded from the overall budget for Integrated Offender Management outlined below:

OPCC - £583,000

Resources and Housing - £106,765

Public Health – £357,600

Total - £1,047,365.

4.5.4 Existing contracts have been subject to budget reductions over the previous few years. A 10% reduction in funding to both services was made in 2016/17, a further 11% reduction was made in 2017/18, and a £30,000 reduction to existing OPCC funding was applied to the CGL service for 2019/20. This was due to reductions to the Public Health Grant made by Central Government and also some of the activity was in scope within the new Housing Related Support Gateway. Any further reductions would not be managed without significant impacts on outcomes and quality.

4.5.5 The extension of contracts for 12 months for the IOM Support Services will allow the time and continuity of service to fulfil the competitive procurement exercise and realise efficiency and value for money for new services.

4.6 Legal Implications, Access to Information and Call In

4.6.1 This is a key decision as the cost of services within the report is more than £250k per annum. A notice was published on the List of Forthcoming Key Decisions on the 12th February 2019 and will be subject to call in. There are no grounds for keeping the contents of this report confidential under the Access to Information Rules.

4.6.2 In terms of transparency it should be noted that case law suggests that the Council should always consider whether contracts of this value could be of interest to contractors in other EU member states, and if it could, the opportunity should be subject to a degree of European wide advertising.

- 4.6.3 It is up to the Council to decide what degree of advertising would be appropriate. In particular, consideration should be given to the subject-matter of the contract, its estimated value, the specifics of the sector concerned (size and structure of the market, commercial practices, etc.) and the geographical location of the place of performance.
- 4.6.4 The Director Resources and Housing has considered this and due to the nature of the services being delivered and the requirement to be physically located in Leeds, is of the view that the scope and nature of the services is such that it would not be of interest to providers in other EU member states.
- 4.6.5 There is a risk of an ombudsman investigation arising from a complaint that the Council has not followed reasonable procedures, resulting in a loss of opportunity. Obviously, the complainant would have to establish maladministration. It is not considered that such an investigation would necessarily result in a finding of maladministration, however such investigations are by their nature more subjective than legal proceedings.
- 4.6.6 As the total value over the life of the contract will exceed the EU procurement threshold of £615,278 set as of January 2018, we are required to advertise the future tendering opportunity and seek competition for the service.
- 4.6.7 Advice has been sought from Procurement throughout the duration of this contract, review and re-modelling process and will continue to be sought through the subsequent competitive procurement exercise.

4.7 Risk Management

- 4.7.1 The current IOM Support Service contracts run until 31 March 2019. There is a need to utilise the contract extensions available to ensure continuation of service whilst a procurement exercise takes place.
- 4.7.2 A risk register relating to the review, remodelling and procurement was established and will continue to be managed via the Project Team.

5 Conclusions

- 5.1 Ensuring the continuation of the current IOM support service is a key priority for the Council and its partners. In order to continue existing provision without disruption, the available 12-month contract extensions for CGL and Humankind should be put in place until a new city wide Offender Support Service can be procured through a competitive exercise to commence 1 April 2020.
- 5.2 If approved, extension of contracts will maintain an IOM Support Service until 31 March 2020. A new Offender Support Service contract will commence on 1 April 2020, and a subsequent report will set out the authority to procure this service.

6 Recommendations

- 6.1 The Director Resources and Housing is recommended to approve contract extensions with HumanKind and CGL to enable continuation of provision in accordance with CPR 21.1 - contract extensions from 1 April 2019 for 12 months until 31 March 2020 (at a cost of £560,850 for CGL & £350,215 for Humankind) for the continued delivery of the current IOM Support Service (DN250893, Humankind; DN331721, CGL) from 1 April 2019.

7 Background documents¹

None.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

